

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

October 12, 2001

IN RE:

**KNOXVILLE NEWS-SENTINEL**

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) **DOCKET NO. 01-00366**

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**ORDER APPROVING SETTLEMENT AGREEMENT**

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This matter came before the Tennessee Regulatory Authority ("Authority" or "TRA") at a regularly scheduled Authority Conference held on May 15, 2001 for consideration of a proposed Settlement Agreement between the Consumer Services Division of the TRA (the "CSD") and the *Knoxville News-Sentinel* (the "*News-Sentinel*") for violations of the Tennessee Do-Not-Call Telephone Sales Solicitation statute, Tenn. Code Ann. § 65-4-401 *et seq.* Said Settlement Agreement is attached hereto as Exhibit A.

The CSD received one (1) complaint from a Tennessee consumer whose residential telephone number was registered on the Tennessee Do-Not-Call Register. During the investigation of the complaint, the CSD determined that the *News-Sentinel* or its agents had also violated Tenn. Comp. Rules & Reg. 1220-4-11-.04(1) by engaging in the solicitation of Tennessee residential telephone subscribers without purchasing the Tennessee Do-Not-Call Register.

Tenn. Code Ann. § 65-4-405(f) authorizes the Authority to initiate proceedings relative to violations of the Do-Not-Call statutes and the rules and regulations promulgated pursuant to the Do-Not-Call statutes. "Such proceedings may include without limitation proceedings to issue a cease and desist order, to issue an order imposing a civil penalty up to a maximum of two

thousand dollars (\$2,000) for each knowing violation and to seek additional relief in any court of competent jurisdiction.” Tenn. Code Ann. § 65-4-405(f). The *News-Sentinel* faced a maximum civil penalty of four thousand dollars (\$4,000) for the two (2) violations mentioned above.

As a part of this Settlement Agreement, the *News-Sentinel* agrees to implement measures, as outlined in Exhibit A, to prevent similar occurrences in the future. In addition, the *News-Sentinel* will pay to the Authority the amount of two thousand dollars (\$2,000) within thirty (30) days of the date of the Authority’s approval of the Settlement Agreement.

The proposed Settlement Agreement was the result of the CSD’s investigation into the complaint against the *News-Sentinel*. In determining the propriety of this Settlement Agreement, the CSD considered the provisions of Tenn. Code Ann. § 65-4-116(b), which provides as follows:

In determining the amount of the penalty, the appropriateness of the penalty to the size of the business of the person, firm or corporation charged, the gravity of the violation and the good faith of the person, firm or corporation charged in attempting to achieve compliance, after notification of a violation, shall be considered. The amount of the penalty, when finally determined, may be deducted from any sums owing by the state to the person, firm or corporation charged or may be recovered in a civil action in the courts of this state.

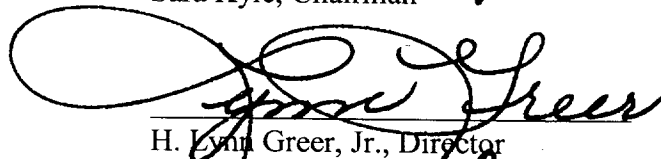
The *News-Sentinel* has no known history of violating the statutes and rules enforceable by the Authority. The CSD’s investigation showed that the *News-Sentinel* did not possess a specific intent to violate the applicable statutes. The *News-Sentinel* cooperated fully with the CSD’s investigation of the above mentioned complaints. Further, the *News-Sentinel* acted expeditiously to remedy the problem by ceasing all telemarketing activity in Tennessee and by registering as a telephone solicitor and obtaining the Do-Not-Call register from the Authority as required by Tenn. Comp. Rules & Reg. 1220-4-11-.04(1).

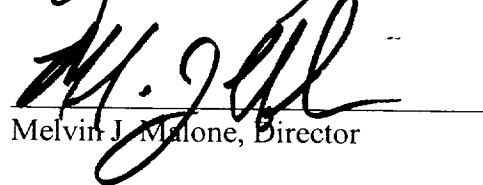
A representative of the News Sentinel participated telephonically during the Authority Conference on May 15, 2001. Following a discussion with the parties and a review of the Settlement Agreement, the Directors voted unanimously to accept and approve the Settlement Agreement.

**IT IS THEREFORE ORDERED THAT:**

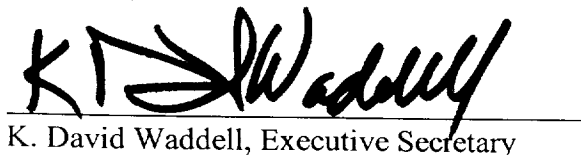
1. The Settlement Agreement, attached hereto as Exhibit A, is accepted and approved and is incorporated into this Order as if fully rewritten herein.
2. The amount of two thousand dollars (\$2,000) shall be paid by the *News-Sentinel* into the Public Utilities Account of the TRA no later than June 14, 2001, thirty (30) days from the date of the Authority's approval of the Settlement Agreement.
3. Upon payment of the amount of two thousand dollars (\$2,000), the *News-Sentinel* is excused from further proceedings in this matter, provided that, in the event of any failure on the part of the *News-Sentinel* to comply with the terms and conditions of the Settlement Agreement, the Authority reserves the right to re-open this docket for the purpose of securing compliance and enforcing the Settlement Agreement.

  
Sara Kyle, Chairman

  
H. Lynn Greer, Jr., Director

  
Melvin J. Malone, Director

ATTEST:

  
K. David Waddell, Executive Secretary

# THE TENNESSEE REGULATORY AUTHORITY

## AT NASHVILLE, TENNESSEE

IN RE:

ALLEGED VIOLATIONS OF Tenn. Code Ann.  
§65-4-401 *et seq.*, DO-NOT-CALL SALES  
SOLICITATION LAW, AND RULES OF  
TENNESSEE REGULATORY AUTHORITY,  
CHAPTER 1220-4-11-.01 *et seq.*, BY:

THE KNOXVILLE NEWS-SENTINEL

DO-NOT-CALL PROGRAM  
FILE NO. 01-00160

### SETTLEMENT AGREEMENT

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This Settlement Agreement has been entered into between the Consumer Services Division ("CSD") of the Tennessee Regulatory Authority ("TRA") and The Knoxville News-Sentinel, and is subject to the approval of the directors of the TRA. The subject of this Settlement Agreement is one (1) complaint received by the CSD alleging that The Knoxville News-Sentinel violated the Tennessee Do-Not-Call Telephone Sales Solicitation law, T.C.A. § 65-4-404, and TRA Rules and Regulations 1220-4-11-.07, by making or causing to be made a telephone sales solicitation call to the residential telephone number of a Tennessee consumers whose residential telephone number was registered on the Tennessee Do-Not-Call Register.

In an effort to resolve this complaint, represented by the file number above, the CSD and The Knoxville News-Sentinel agree to settle this complaint on the following terms, subject to approval by the directors of the TRA:

1. The Knoxville News-Sentinel neither admits nor denies that this complaint is a true and valid complaint.



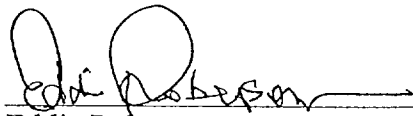
2. The Knoxville News-Sentinel agrees not to make any telemarketing sales solicitation calls until it is registered as a solicitor with the TRA.

3. The Knoxville News-Sentinel agrees to immediately register with the TRA and to pay the five hundred dollars (\$500.00) registration fee.

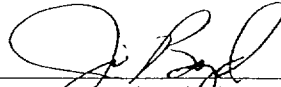
4. The Knoxville News-Sentinel agrees to make a payment in the amount of two thousand dollars (\$2,000.00) to the TRA within thirty (30) days after the directors of the TRA approve this Settlement Agreement.

5. The Knoxville News-Sentinel agrees that someone on behalf of the newspaper will appear in person at the TRA conference at which time this Settlement Agreement will be considered for approval.

6. The Knoxville News-Sentinel agrees to comply with all provisions of the Tennessee Do-Not-Call Telephone Sales Solicitation law and regulations.



Eddie Roberson  
Chief, Consumer Services Division



Jim Boyd, Circulation Director,  
The Knoxville News-Sentinel